MEMORANDUM OF UNDERSTANDING

Further to Article XI of the Air Services Agreement between Canada and India signed on 20 July 1982, the arrangements set out below shall govern the operation of the services established in the Annex of the said Agreement (ASA).

- 1. For the operation of passenger/combination services by the airline designated by the Government of Canada on Route 1 of Section I and by the airline designated by the Government of India on Route 1 of Section II of the Annex to the ASA, the total number of seats operated shall not exceed 2100 per week in each direction.
 - 2. The total number of one-way fifth freedom passengers carried into and/or out of the territory of the other Contracting Party for services operated on Route 1 of either Section in any calendar year shall not exceed 85,000 passengers or 50% of seats operated calculated annually, whichever is greater, but in any case shall not exceed 110,000 passengers per annum.
 - 3. The operation of passenger/combination services by the airline designated by the Government of Canada on Route 2 of Section I and by the airline designated by the Government of India on Route 2 of Section II of the Annex to the ASA shall not exceed 2 frequencies per week in each direction.
 - 4. The operation on Routes 2 of Section I and Section II of the Annex to the ASA will be without the exercise of fifth freedom rights and such operations would be governed by a commercial agreement between the two designated airlines.

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